



State of California  
**Franchise Tax Board**

11.28.11

To: Selvi Stanislaus

From: Jeanne Harriman

Subject: Request for Board Approval of a Contract Exceeding \$1 Million  
Aastra – E-Private Branch Exchange (PBX) System Maintenance

## Memorandum

This memorandum provides information for your notification to the Board pursuant to the Board's resolution requiring approval for purchases exceeding \$1 million.

The Franchise Tax Board staff requests approval to enter into a Non-Competitive Bid (NCB) contract for maintenance on our E-private Branch Exchange (PBX) system. Aastra is the sole manufacturer, distributor, and maintenance provider of all PBX equipment for FTB's telephone voice enterprise network. No other supplier can provide the full scope of support that FTB requires of the Aastra products. The equipment must operate and interface with the existing Aastra digital equipment. Only clients served by Aastra have access to Aastra software support, the Aastra Technical Support Center, documentation and patches. Because the software and equipment are proprietary to Aastra, no other suppliers could support this system.

FTB would not be able to perform mission critical work that depends on communication with our customers (taxpayers) and business partners (IRS, tax preparers, vendors, other State agencies, law enforcement, judicial, etc.) if the E-PBX system were to fail. In FY 2010/11, approximately 15.7 million incoming and outgoing calls were handled through our PBX system. There would be a major impact to the collection of revenue if maintenance was not renewed.

The estimated cost for a three (3) year contract is \$1,552,608.00. FTB's existing maintenance agreement with Aastra has a term of 2/1/09 – 2/14/12 at a cost of \$1,526,483.00.

If you have any questions regarding this procurement, please contact Susan Borgman at 845-3367.

A handwritten signature in cursive script, reading "Jeanne Harriman", is positioned above the title.

Director  
Financial Management Bureau